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C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 000813

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TAGS: PGOV PNAT IZ

SUBJECT: SUNNI AND ALLAWI BLOCS READY FOR MORE GOVERNMENT

NEGOTIATIONS - IDEAS BUT NO DEALS

Classified By: POL COUNS Robert Ford, reason 1.4 (d)

11. (C) SUMMARY: In advance of the March 14 meeting of the major political blocs' leaders to work on resolving the government formation dilemma, Tawafuq official Mahmud al-Mashadani told us that Sunni Arab and Shia Coalition negotiators were working toward formation of an Arab political bloc. However, he added that this was not an effort to exclude the Kurds, and they would still accept Jalal Talabani as President. Mashadani said Tawafuq continues to support Nadim al-Jabiri for the premiership. Iraqi National List member Wa'el Abd al-Lateef al-Fadhel told Poloffs March 13 that a preliminary agreement on government formation could be completed by March 16. However, he added that alliances in the negotiations are constantly changing. Iraqi National List member Adnan Pachachi said that he and some of his allies would present a plan to stand up a national policy council - an idea we think the Shia will receive with suspicions. Indeed, suspicions still mark the sentiments political figures express about each other. END SUMMARY.

INDC LEADER: TAWAFUQ SEEKS AGREEMENT WITH UIA, SUPPORTS FADHILA PM

12. (C) Sunni Tawafuq negotiators met with Shia Coalition negotiators to discuss government formation issues on March 13. Sunni INDC leader Mahmud Mashadani told Poloff on March 13 that the goal of the discussions was to solve Sunni-Shia problems but that no agreements were reached. (Note: He provided Poloff with some of the Tawafuq proposals concerning a national security council and a set of proposed by-laws for the cabinet; we will report these septel. End note.) While terming the process an effort to form an Arab political bloc, Mashadani said this was not as an attempt to exclude the Kurds. He said the Kurds have an agreement with the Shia and another with Tawafuq, so it is only natural that Tawafuq seek an agreement with the Shia. The goal of this political bloc is to maintain the unity of the Arab part of Iraq and agree to form one Arab region to complement the Kurd region to the north.

- 13. (C) Mashadani said Tawafuq continues to support Nadim al-Jabiri for the PM because they perceive him to be a nationalist who will foster friendly relations with the US, Iran and the Arab countries. He will favor a centralized government with strong regional powers. By contrast, according to Mashadani, Iran is now promoting Muqtada Sadr as the wave of the political future. Unlike Hakim, he can "take on" the Americans
- 14. (C) Mashadani said Tawafuq expects that Jalal Talabani will remain President and that IIP Leader Tariq al-Hashimi or Osama al-Tikriti will head the Council of

Representatives. The Sunnis also want the Foreign Minister portfolio and Mashadani ticked off a list of possible Sunni candidates. He said that some of his Sunni Arab colleagues are asking him to vie for the position of Deputy PM for Security but he does not want the job. Allawi is an unacceptable candidate for this position, said Mashadani - the Sunnis reject him for the assault on Falluja and the Shia reject him for the assault on Sadr. Mashadani said he wants to be Minister for Human Rights.

VIOLENCE STILL PLAGUES STREETS BUT SUNNIS IN NO HURRY FOR GOVERNMENT FORMATION

- 15. (C) Mashadani said that the people are tired of the violence and want action. He believes that negotiators for the four political blocs should be sequestered in a safe IZ location and work non-stop to form a government starting on March 16, after the Council of Representatives is convened. Mashadani said the government could be formed in two weeks if the blocs work around the clock. He rejected the idea of moving the negotiations to the Kurdish region arguing that it should be done in Baghdad.
- 16. (C) Mashadani said there was no change in violence against the Sunnis and said the streets are full of militants and security forces. He said the sectarian situation is very tense. Mashadani said the killing of a Shia or Sunni political leader could spark a major increase in sectarian violence.

IRAQI NATIONAL LIST MEMBER: GOVERNMENT FORMATION

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NEGOTIATIONS NOW POINTING TOWARD SUNNI ARAB PRESIDENT

17. (C) Iraqi National List member Wa'el Abd al-Lateef al-Fadhel told Poloffs March 13 that alliances in the negotiations are constantly changing. He expressed support for the idea of a Sunni Arab President because he believes it will calm the security situation in Iraq since (a) most countries around Iraq are Sunni Arab and (b) Sunni Arabs are part of the insurgency and problem in Iraq. While he said he had discussed the idea of a Sunni Arab president with Ayad Allawi, who al-Fadhel claimed supported it, he also noted that the Sunni Arabs have not been seeking the post.

NOT AGAINST JAFARI IF CHANGES IN POWER-SHARING AND DECISION-MAKING

18. (C) Al-Fadhel told PolOffs that Iraqi National List policy had changed and that the bloc is no longer against a person (i.e., Jafari), but is against a Prime Minister's approach and policy. If PM Jafari changes his style to power-sharing and inclusive decision-making, then there are no problems. He cited three conditions for allowing Jafari to stay as PM: (a) Jafari changing his style; (2) a new empowered Deputy Prime Minister structure; and (3) effective, competent Ministers, as opposed to party-aligned "quota" Ministers.

PACHACHI ALSO THINKS OF COUNCIL STRUCTURE

 $\P9$. (C) National Iraqi List (Iraqiya) representative Adnan Pachachi told Poloffs that they would be presenting at the March 14 session a proposal for a State Council (Majlis ad-Dawla) that would consist of the President, the two Deputy

Presidents, the Prime Minister, the two Deputy Prime Ministers, the president of the Kurdistan Region, and the leaders of major parliamentary blocs (i.e., Abd al-Aziz al-Hakim and Ayad Allawi (if not one of the other positions). This would produce a State Council of eight to nine people. The State Council would be given by the Council of Representatives (COR) authority to approve the national budget and to control the armed forces.

- ¶10. (C) An inner cabinet of the Prime Minister and the two Deputies would handle certain decisions, so that decisions were not taken by the Prime Minister unilaterally -- a frequent Kurdish criticism of Jafari. "Jafari might stay if he accepts this," Pachachi said. However, he cautioned, Iraqiya and the Sunni Arabs are "not ready to agree to this."
- 111. (C) Pachachi said that Iraqi will need a law to govern the conduct of the Council of Ministers, and confirmed that his list, the Sunni Arabs and the Kurds were working on a common draft law.

COMMENT

112. (C) On the eve of the next round of discussions, it appears that the discussions will touch on government structures and program - including a national policy council or by-laws of the cabinet - as well as the identity of the prime minister. The council idea is still controversial among the Shia Coalition. Above all, our contacts among the backbenchers indicate plenty of suspicion and little agreement as the next round opens. KHALILZAD